



NEWS RELEASE

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FOR IMMEDIATE RELEASE

REAL ESTATE INVESTOR, THREE FORMER MORTGAGE COMPANY EMPLOYEES INDICTED FOR \$4 MILLION FRAUD SCHEME

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that an owner of a mortgage investment company and three employees of Ameriquest Mortgage were charged in an indictment that was unsealed and made public today. The indictment alleges a scheme to defraud Ameriquest and victim investors in connection with fraudulent mortgage loans.

Brent Michael Barber, 40, owner of Somerset Homes and Investment Company and former owner of The Beef Pit, a Grandview, Mo., restaurant, and **Chauncey Joseph Calvert**, 34, **Avonda Lynn Nicodemus**, 32, and **Roderick Neil Criss**, 33, all former employees Ameriquest in Gladstone, Mo., were charged in a 62-count indictment returned by a federal grand jury in Kansas City.

Count One of the federal indictment alleges that the co-defendants conspired to defraud Ameriquest and the victim investors from May 1999 to Dec. 1999, by obtaining money from the mortgage lender by means of fraudulent loan applications and inflated appraisals.

As part of the scheme to defraud, the co-defendants induced victim investors to purchase and/or obtain loans to purchase real estate after promising that **Barber** would obtain renters and buyers for the properties within a short period of time. The indictment alleges that the victims were led to believe that they would pay no money for the properties and have no expenses or obligations in connection with the properties but that they would be paid fees or a percentage of the profits.

In carrying out the scheme, the co-defendants submitted false and fraudulent loan applications signed by victims, inflated appraisals, documentation and other representations to Ameriquest for approval. In doing so, the co-defendants would include false information

regarding the properties' condition and the victim-investors' income, assets, and credit, among other things.

The co-defendants would then have the proceeds of the loans disbursed to companies under **Barber's** control by representing that fictitious companies held the first mortgage liens on the properties. Each of the co-defendants benefitted from this because **Barber** would receive the proceeds of the loans and **Calvert, Nicodemus** and **Criss** each obtained fees, bonuses, commissions, kickbacks and other benefits, the indictment alleges.

During the scheme, victims were told that they would receive \$1,500 for each property they allowed to be purchased in their names or up to 50 percent of the profits on the eventual sale of the properties.

The co-defendants would prepare documents that were contained in the loan packages for victim investors that contained false sales contracts, false settlement statements, false verifications of mortgage forms, false payoff letters, false income verifications for the victim investors, false W-2 Wages and Tax Statements and false verification of rent forms.

Once the loans were approved, **Calvert, Nicodemus** and **Criss** ensured that the loan proceeds were disbursed to Barber.

Between June 9, 1999, and Sept. 27, 1999, the co-defendants caused Ameriquest to approved 66 fraudulent loans in the approximate total amount of \$4 million.

Between June 23, 1999, and Oct. 1, 1999, **Barber** obtained approximately \$2.5 million from proceeds of the loan amounts and **Calvert, Nicodemus** and **Criss** obtained funds in the form of fees and commissions.

Counts Two through 53 of the federal indictment allege that the co-defendants caused the transfer of money valued at \$5,000 or more on 52 occasions between San Angelo, Texas, and Kansas City, Sugar Creek and Independence, Mo. The transfers represented loan amounts ranging from 17450 to 149149.14.

Counts Fifty-four through Sixty-one of the federal indictment allege that **Barber** laundered proceeds from the scheme through Express Mortgage and Associated Mortgage, which are two fictitious companies that he created during the conspiracy. The indictment alleges that he would deposit checks made out to those companies and withdraw the funds by writing checks payable to himself.

Count Sixty-two of the federal indictment is a forfeiture count and would require the co-defendants to forfeit any proceeds derived as a result of the charges contained in the indictment, including approximately \$2.5 million.

This case is being prosecuted by Assistant U.S. Attorney Linda Parker Marshall. It was investigated by the Federal Bureau of Investigation, Office of Inspector General of the U.S.

Department of Housing and Urban Development, and the Criminal Investigation Division of the Internal Revenue Service.

Graves cautioned that the charge contained in the indictment is simply an accusation, and not evidence of guilt. Evidence supporting the charge must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

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